

Cost of Retirement Benefit

	City Costs		Employee Costs	
	%	Cost	%	Cost
	Current POA Benefit: 4% @ 20, 90% Max			
Normal Cost	1.04%	\$1.54M	0.39%	\$578K
Unfunded Liability	2.25%	\$3.33M	0.00%	\$0
Total Annual Cost	3.29%	\$4.87M	0.39%	\$578K
	POA Proposed Benefit: 3% @ 20, 90% Max			
Normal Cost	1.00%	\$1.48M	0.37%	\$548K
Unfunded Liability	1.59%	\$2.35M	0.00%	\$0
Total Annual Cost	2.59%	\$3.83M	0.37%	\$548K

Source:

The Segal Company Report dated October 24, 2006

The Segal Company Report dated June 4, 2008

City of San Jose
August 19, 2008